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Agricultural Land and Preservation Issues In The OCPC 208 Area



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AGRICULTURAL LAND AND PRESERVATION
ISSUES IN THE OCPC 208 AREA

Old Colony Planning Council
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AGRICULTURAL LAND AND PRESERVATION ISSUES IN THE OCPC 208 AREA was prepared by the following members of the Old Colony Planning Council staff. It was begun under the direction of Robert F. McMahon, 208 Project Manager and executed under the direction of Susan K. Wilkes, 208 Project Manager and Daniel M. Crane, Executive Director:

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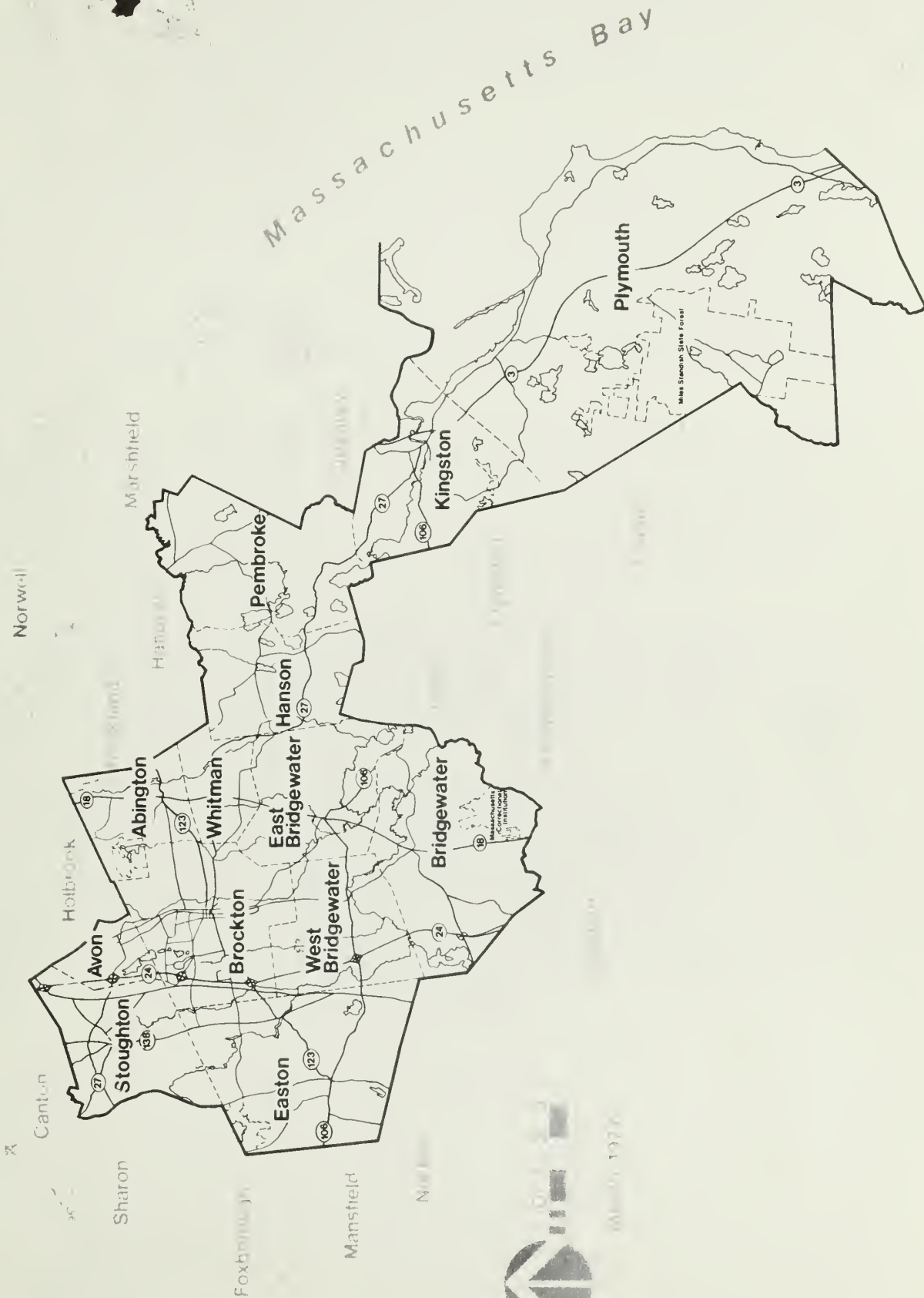
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The Old Colony Planning Council District



INTRODUCTION

In 1972, the Federal Water Pollution Control Act Amendments were passed by Congress establishing a national goal that all waters be fishable and swimmable by 1983. In order to attain this goal, Section 208 of the act calls for the preparation of areawide wastewater management plans. The objective of this plan is to evaluate pollution problems and identify solutions on an area-wide basis.

One of the key considerations in the development of a management plan is the potential impact of future land use on water quality. As experienced in many communities, land use changes can have an impact on sewer service needs, sewer installation costs and local water supplies, all of which are water quality concerns. In addition, certain land uses contribute pollutants to our streams and waterways thus causing further water quality degradation. In order to meet the water quality goals of the future, the management plan must consider and accommodate for future growth as well as for current and future land use patterns in order to protect and upgrade our waterways.

In the process of preparing and analyzing projected land use patterns, one uncertainty which arose was the future prospects for agricultural land in this area. Agricultural lands have been disappearing from the OCPC landscape as they are frequently converted to more intensive uses. However, the likelihood of future conversions taking place at current rates is difficult to determine. As a result, this unknown quantity creates somewhat of a problem in the development of a management plan.

Impacts from agricultural land uses have certain non-point source characteristics such as runoff from feedlots which require specific management solutions. At the same time, developed lands have their own water quality implications. Either land use will need planning for, in order to achieve the water quality goals of the 1972 Act.

This report then has been undertaken to examine several aspects of the agricultural land use issue and review the prospects for the future. It opens with a review of current trends and briefly examines some factors influencing the trends. However, the focus of the report is an evaluation of Massachusetts' first major step toward preserving farmlands -- the Farmland Assessment Act. Primarily, this evaluation concerns the potential impacts of this program on future agricultural land uses. Finally, the report closes with a brief review of several alternative approaches to preserving farmland which are either already authorized under Massachusetts law or are currently being seriously considered.

The Council is very concerned both with the plight of the farmer in this area as well as with the loss of open space as farmlands are converted to other uses. The Council has decided to make an effort to use its resources in support of agricultural activity in this area and at the same time prevent further losses of open lands. However, in order to take on such a role, there must be a clear understanding of the problems and factors that have contributed to the decrease in the number of farm operations in this area as well as approaches now being tried to halt this trend. Hopefully, this report will help to answer some of these questions and will assist the Council in defining what actions it may take in behalf of area farmers.

A NOTE ON INFORMATION SOURCES

Information was drawn from various sources such as available publications on Massachusetts agriculture, from the media, and from personal correspondence with individuals affiliated with various agricultural agencies. However, OCPC believes that the best answers and information can come only from those who experience the problems associated with a farm operation day in and day out. Therefore, a questionnaire was prepared to provide us with the farmers' viewpoints on the Farmland Assessment Act, on current operating problems, and on possible alternative approaches to preserving farmland. A mailing list of 80 farm operators was compiled and a questionnaire was sent to each. Accompanying the questionnaire were cards that could be used by the farmer to request further discussion about either the questionnaire or the Farmland Assessment Act.

Of these 80 questionnaires that were sent out, 12 responses and five requests for additional discussion were received. From time to time throughout the report some of the farm operator responses are referenced. The Appendix contains a copy of the questionnaire and several of the responses to it.

I. CURRENT TRENDS IN AGRICULTURE

A. Statewide

As has been often documented in the available literature and in the media, Massachusetts' agricultural-land resource base is rapidly disappearing. The figures that are cited time and again explain why there is much concern over the declining agricultural industry in this state. Since 1945, this state has lost over 29,000 farm businesses and over 130,000 acres of farmland leaving less than 6,000 farms on 700,000 acres of land. According to the projections in the state agricultural policy, on the average, Massachusetts can expect to lose an additional 20,000 acres of farmland and 200 farms yearly.

This decline has not been experienced by Massachusetts alone, for the entire New England region has witnessed a considerable loss of farmland. In 1860 the region had 206,900 farms and more than 20 million acres of farmland. Today in New England there are approximately 27,680 farms consisting of about 5.4 million acres.

Additional employment and farm acreage data illustrates further this decline in recent farming activity in Massachusetts. Also, as Table 1 shows, the average size of farms has been increasing.

B. Farming in the OCPC Area

Although detailed data is not available on the number of farms currently in operation, some data is available on farm acreage illustrating that the OCPC region has shared in this decline in farm acreage as well. In a recent study, an inventory of farm acreage and its changes was prepared for each community in the state from 1951 through 1971. This data appears in Table 2 along with OCPC estimates of 1975 active farm acreage documenting the decline in agricultural lands in this area. The decline of agriculture in the region can also be seen (Table 3) in figures on farm employment.

Based on personal correspondence with agricultural extension agents, the projection is that the number of fruit and vegetable operations should remain fairly stable over the next ten years. However, the future prospects for dairy operations remain in doubt. Cranberry lands have remained stable over the last few years statewide as illustrated by Table 4 and will probably continue at current levels in this area as well. One important point is that due to the wet characteristics of cranberry bogs, they are generally unsuitable for development and therefore face less development pressure in comparison to other farmland.

In terms of the impressions of farmers and former farmers, most were less than encouraged about agriculture's future prospects in this area. For several reasons which will be discussed in the next section, they see increasingly less agricultural activity in this area in the coming years. One of the dominant factors they see is the further urban expansion into this area.

C. Factors Influencing the Decline of Agriculture

1. Introduction

There are numerous factors that have contributed to the decline in

TABLE 1

FARMS: NUMBER, AVERAGE SIZE, ACREAGE, MASSACHUSETTS
1964-1974

YEAR	NUMBER OF FARMS	AVERAGE SIZE Acres	ACREAGE Acres
1964	9,400	106	1,000,000
1965	8,700	108	940,000
1966	8,100	110	890,000
1967	7,500	115	860,000
1968	7,000	117	820,000
1969	6,500	120	780,000
1970	6,300	121	760,000
1971	6,100	121	740,000
1972	5,900	122	720,000
1973	5,800	122	710,000
1974	5,700	123	700,000

Source: N.E. Crop and Livestock Reporting Service

TABLE 2

OCPC FARM ACREAGE

COMMUNITY	TOTAL ACREAGE	ABANDONED FARM ACREAGE 1951-1971	OCPC ESTIMATED 1975
ABINGTON	6,508	159	157
AVON	3,013	108	16
BRIDGEWATER	18,783	715	2,312
BROCKTON	13,665	347	136*
EAST BRIDGEWATER	11,179	304	1,579
EASTON	18,412	660	512*
HANSON	9,971	138	1,773*
PEMBROKE	15,284	285	483
WEST BRIDGEWATER	9,893	422	2,047
WHITMAN	4,412	101	293
OCPC TOTALS	110,585	3,239	7,355

*Figures are underestimated based only on land assessed as farmland.

Sources: University of Mass. Agricultural Experiment Station
Land Use/Water Quality Issues in the OCPC 208 Area

TABLE 3

FARM EMPLOYMENT: TOTAL, FAMILY AND HIRED FARM WORKERS,
ANNUAL AVERAGES, MASSACHUSETTS, 1964-1973

YEAR	TOTAL WORKERS	FAMILY WORKERS	HIRED WORKERS
Thousands of Persons			
1964	27.0	17.0	10.0
1965	26.0	16.0	10.0
1966	25.0	15.0	10.0
1967	21.0	12.0	9.0
1968	19.0	11.0	8.0
1969	17.8	10.1	7.7
1970	17.2	9.7	7.5
1971	17.2	9.4	7.8
1972	16.6	9.4	7.2
1973	17.1	9.3	7.8

Source: N.E. Crop and Livestock Reporting Service

TABLE 4

CRANBERRY ACREAGE
MASSACHUSETTS, 1964-1973

YEAR	ACRES
1964	11,500
1965	11,400
1966	11,200
1967	11,200
1968	11,100
1969	11,200
1970	11,100
1971	11,100
1972	10,900
1973	10,900

Source: N.E. Crop and Livestock Reporting Service

agricultural activity and in turn, the amount of land use for such purposes. Some of the factors are general in nature affecting a wide range of farm operations in many areas. Other factors have had an impact on agricultural land use in areas similar in characteristics to the OCPC region.

Several points should be made about this section. One is that no one factor can be cited as influencing current levels of agricultural activity; rather they have an aggregate affect. In addition, each factor does not affect individual farm operations in the same manner or to the same degree. The following section is merely an attempt to outline some of those factors cited in the literature, by various agricultural experts or by farmers in their responses to the questionnaire as contributing to the decline in the number of operations. Finally, this section is not meant to suggest that all farm operations have problems. For several reasons, some are considerably more successful and prosperous than others and are not affected by some of the prevailing problems that will be discussed in the following pages.

2. General Factors

One of the major problems now facing the agricultural industry is the current prices of inputs involved in the production of farm products. The current costs are generally representative of our inflationary economy. The costs of fuel, machinery, fertilizer, grain and feed, and labor (see Table 5 and Table 6) have risen considerably over the past several years. These cost factors have had the greatest impact on dairy operations which are generally more labor intensive than other types of farm operations. In addition, the costs of feed typically represent as much as 30 to 40 percent of a dairy farmer's total expense. Feed costs are considered to be higher in Massachusetts and the New England region than almost anywhere else in the country. The high grain costs are attributed to the current railroad freight rates which cause the price of a carload of grain from the Midwest to be twice as much in New England as it is in the South. Another example is farm machinery costs; pieces of equipment which once sold for \$4,000 now cost four to five times that price today. Like any other business operation, when overhead costs increase, the profit margins diminish, unless it is possible to raise prices to cover increased costs and still remain competitive.

In economic terms, the farmer is a price taker. That is, the farmer must accept whatever is the prevailing price for his product on the market. These farm prices are set at the national or regional market level and are out of individual control. Furthermore, many vegetable and fruit crops are perishable goods that have to be marketed when they are harvested. Therefore, withholding the product is not a favorable alternative for the farmer.

There is an additional price problem that affects farmers in this area. As mentioned before, a reduction in supply will inflate the price. Therefore, if the supply is increased the reverse is true. Products imported from large agricultural producing states compete with local products and lower the price which the local producer can obtain from his output. Some farmers charge that because Massachusetts is the "end of the line" for western vegetable products, the remaining products are

are sold off at low prices, further depressing the market prices for local producers.

A final price issue is raised by some farm producers that are under federal price controls. They feel they are prevented from getting an adequate price for their products due to these controls (i.e., milk control prices), and have to absorb their added costs as a result. In addition, they cite foreign and interstate imports as having an additional effect on their prices. As a result, some farmers simply cannot make ends meet. As suggested by current data, the small farm may be more affected by this cost price squeeze.

Other factors are cited by farmers as contributing to the decline of agriculture. Some farmers complain that federal inheritance taxes are sometimes so great that the farm has to be sold to pay the tax. A bill before Congress which calls for an increase in minimum value of estates subject to this tax may alleviate this problem. Another factor is the job opportunities now available in urban areas which entice the sons and daughters of farmers who had previously taken over when their parents retired. Farmers, themselves, having several skills as carpenters, bookkeepers, and mechanics have been seeking alternative employment as well. Other problems cited by farmers in their questionnaire responses include the poor consumer image of the farmer, the role of the middle man in food processing and distribution, government red tape, and local interest rates.

3. Factors Affecting OCPC Area Farming

In addition to some of the general problems already discussed, agriculture in the OCPC area is subject to some of the forces of urban expansion. Urban expansion in general creates an unfavorable environment for agriculture for several reasons. As will be discussed further in a later section, urban expansion creates a demand for agricultural land for more intensive use, thus increasing its market price. As a result, a farmer has a difficult time financing the acquisition of land on current farm income. As one questionnaire response noted, "a farmer could not even afford the interest payments on the loan to purchase the land". With current costs of farm equipment and other inputs and land costs, it is doubtful that new operations could be financed on current farm incomes. One farmer said that he knew of at least four recent attempts to start up operations in this area that have since been discontinued.

Another factor is that farmers have been offered large sums of money due to the suitability of their land for development. Rather than continue farming on limited incomes, the farmer opts to sell his land and retire or seek other employment. There were at least two examples of this situation occurring in this area during the preparation of this report.

Another product of urban expansion is the potential for nuisance actions being brought by new, nearby residences. Residential development has occurred near many farms and the new neighbors express concern over livestock odors and early morning noise from the farm operation. In fact, one farmer bought two neighboring house lots to avoid this problem.

TABLE 5

AVERAGE PRICES PAID BY NEW ENGLAND FARMERS FOR SELECTED COMMODITIES, JUNE, SELECTED YEARS, 1950-1973
(in dollars)

	Commodity	1950	1960	1965	1966	1967	1968	1969	1970	1971	1972	1973
MOTOR SUPPLIES	Gasoline, regular, filling station, per gallon	.26	.30	.31	.31	.33	.33	.35	.36	.37	.37	.40
	Motor oil, all weather, per gallon	1.45	1.56	2.38	2.38	2.41	2.61	2.74	2.74	3.09	3.09	3.15
	Auto tires, tubeless, 7.75-15, 4 ply conventional, ea. ^{3/}	16.30	19.10	21.20	21.20	23.10	23.90	25.20	25.80	28.00	28.00	27.50
	Storage batteries, 54 plates, 12 volt, ea.	NA	24.40	23.70	23.70	24.10	23.80	24.60	23.90	28.30	28.30	29.00
MACHINERY & SUPPLIES	Wheel tractors, 30-39 PTO. each	1820 ^{6/}	3230	3590	3840	4060	3980	4120	4220	4500	4600	4800
	Shovel, steel scoop, each	NA	4.40	5.76	5.80	6.10	6.30	6.54	7.67	7.70	8.40	9.80
	Baler twine, per 40 lb. bale	NA	.21 ^{4/}	.26 ^{4/}	9.30	9.10	8.65	8.35	7.91	4.80	8.30	8.70
SEED, FEED & FERTILIZER	Alfalfa seed, certified, per 100 lbs. ^{5/}	66.30	68.50	73.00	77.60	72.60	74.00	71.00	76.20	77.00	87.00	NA
	Red clover seed, per 100 lbs. ^{5/}	64.70	49.90	46.90	48.80	45.90	55.00	63.90	65.10	63.30	65.00	NA
	Timothy seed, per 100 lbs. ^{5/}	28.60	23.30	38.50	33.40	25.00	21.60	23.70	24.10	25.30	36.00	43.30
	Dairy feed 16% protein, per ton	4.01 ^{7/}	3.92 ^{7/}	4.00 ^{7/}	3.75 ^{7/}	77.00	71.00	71.00	69.00	80.00	78.00	116.00
	Middlings, per 100 lbs.	3.55	3.19	3.59	3.73	3.92	3.87	3.81	3.93	4.40	4.52	6.22
	Laying feed, per ton	4.51 ^{7/}	4.27 ^{7/}	4.05 ^{7/}	4.05 ^{7/}	77.00	68.00	73.00	74.00	82.00	78.00	133.00
	Fertilizer, ^{5/} 10-10-10, per ton	NA	64.10	64.67	64.67	65.17	67.33	67.33	69.00	71.00	72.00	82.00
	Ammonium nitrate, ^{8/} Approx. 33.5 N, per ton	NA	95.20	90.50	88.30	84.50	79.20	73.00	69.70	71.00	75.00	91.00
	Urea (45-46% N), per ton	NA	121.00	111.00	109.00	106.00	100.00	89.80	87.00	90.00	91.00	108.00
	Superphosphate ^{2/} (20%) P ₂ O ₅ , per ton	NA	40.70	41.30	42.30	43.30	44.70	45.70	48.50	50.00	57.00	67.00
	Muriate of potash (60%) K ₂ O, per ton	NA	59.90 ^{3/}	NA	NA	64.50	65.00	64.00	72.70	73.00	75.00	83.00

^{1/} Prior to 1970 No. 5 and better

^{2/} Prior to 1970 per 100 sq. ft.

^{3/} 1962-63, 7.75/7.50-14, 4 ply

^{4/} Per lb.

^{5/} September

^{6/} 18-20 PTO

^{7/} Per 100 lbs

^{8/} September

^{9/} 55% and over prior to September 1967

Source: N.E. Crop and Livestock Reporting Service

TABLE 6

FARM WAGE RATES: ANNUAL AVERAGES PER WEEK AND HOUR,
MASSACHUSETTS, 1964-1973

YEAR	PER WEEK		PER HOUR
	WITH BOARD AND ROOM	WITHOUT BOARD OR ROOM	WITHOUT BOARD OR ROOM
		Dollars	
1964	48.00	68.75	1.33
1965	48.00	69.25	1.43
1966	52.75	73.50	1.47
1967	58.00	82.00	1.61
1968	63.50	87.00	1.66
1969	67.25	92.00	1.81
1970	70.25	96.50	1.88
1971	77.75	101.75	1.98
1972	85.00	108.00	2.12
1973	89.00	121.00	2.22

Source: N.E. Crop and Livestock Reporting Service

Another factor is the social environment created by urban expansion. Rather than a rural life style where everyone farms from sunrise to sunset seven days a week, their neighbors and friends now work nine to five and have ample leisure time. Therefore, there are new social pressures that bear on the farmer to change his lifestyle.

Finally of course, there is the impact of property taxes that will be discussed at length in the next section.

Besides these impacts of urban expansion there are several other cost factors that have affected farmers in this area. For instance, once the number of farm operations declines to a certain level, the supporting agricultural services such as poultry wholesalers, slaughtering services, veterinary services, and grain suppliers can no longer operate. Once they discontinue operation, those farmers remaining incur additional costs. Examples in this area include a granary operation which disbanded recently and moved out of state and the lack of immediately available veterinary services for farm animals. Finally, besides the marketing and pricing problems already discussed there has also been a change in marketing procedures. Primarily, this change has been in the marketing of dairy products. Dairy operations and cooperatives once had a local retail market through route deliveries and now have to sell their products on the wholesale market to supermarket chains. This change was a major factor in a local dairy cooperative going out of business resulting in further financial losses for some area dairy farmers. Wholesaling has also had an impact on dairy incomes.

II. A RESPONSE TO THE PROBLEM -- DIFFERENTIAL ASSESSMENT

A. Introduction

Massachusetts has recently taken its first step in response to the current agricultural trends now occurring in the state. This section will review in depth the origin and purpose of this approach and what impact it has had on agriculture to date.

B. Origin

Local governments have three basic powers at their command which they can use to influence and/or control private activities affecting how land is used. These powers include the power of eminent domain, the police power, and the power of taxation. Traditionally, the power of eminent domain and the police power, utilized through zoning by-laws, have been the more common governmental powers to have a direct impact on land use. Now the power of taxation has become an additional means by which certain land use and social objectives may be achieved.

Of course, the power of taxation was originally intended as a means of generating revenues in order to cover the cost of providing an array of public services. However, by offering various tax exemptions or incentives, it became apparent that the power of taxation could serve other non-revenue purposes. An early example was to exempt property owned by civic and religious groups in order to encourage them to carry on activities which otherwise would become the responsibility of government or not be carried on at all.

Currently, a slightly different form of real property tax manipulation is being used at the local level in an attempt to achieve other social and land use objectives. This method of property taxation has come to be known as use-value assessment or differential assessment which is the major focus of this report.

C. Purpose

This method of taxation was developed largely in response to the property tax dilemma now confronting farmland owners resulting from continued urban expansion into rural and undeveloped areas.

The logic behind use value or differential assessment is as follows: growth and development have had a dual impact on farmland real estate taxation. First of all the influx of new residences and commercial concerns has resulted in an increased demand for local services and facilities. In order to cover the cost of expanded services and new facilities, developing communities often have had to raise their property tax rates considerably. At the same time, open land such as farmland has been increasing in value due to the potential for these lands to be developed for residential, commercial, and industrial purposes. As a result, farmers are paying a higher tax rate on land that is being assessed over and above its value as farmland. Table 7 illustrates this trend in tax rates.

This tax situation has created an additional financial burden for the farm operators and has cut sharply into their often limited profit margins causing some to discontinue their operations and/or sell their land for other uses.

TABLE 7

TAXES LEVIED ON FARM REAL ESTATE, MASSACHUSETTS,
SELECTED YEARS, 1940-1972

YEAR	TAX	TAX PER ACRE	TAX/\$100 VALUE	INDEX (1967=100)
	MILLION DOLLARS	DOLLARS		
1940	\$ 5.2	\$ 2.70	\$2.41	28
1950	5.6	3.41	1.80	36
1960	6.8	6.38	2.03	67
1965	7.5	8.57	2.18	90
1966	7.8	8.80	2.10	93
1967	8.4	9.50	2.14	100
1968	9.6	10.84	2.29	114
1969	10.8	12.31	2.43	130
1970	12.2	13.80	2.49	145
1971	13.6	15.48	2.64	163
1972	14.2	16.12	2.30	170

Source: N.E. Crop and Livestock Reporting Service

The differential or use-value assessment method is designed to alleviate this unfavorable tax situation for farmland owners. It calls for farmland to be assessed for tax purposes according to its current farm use value rather than its fair market or development value. The objectives of using the power of taxation in this way are quite clear. First, it is designed to provide farmers with a tax savings in order to encourage them to continue their operations. By having land remain in farming, differential assessment also delays the conversion of farmlands to more intensive uses and thus serves to preserve open space. In addition, if this assessment program proves to fulfill its intended objectives, current levels of food production can be maintained. Although food production is not the primary purpose of such a program, it is one of the important considerations in the Massachusetts Agricultural Policy. With a declining agricultural-land resource base, this state now imports about 85 percent of its total food needs from other states resulting in food prices about six to ten percent above the national average. Massachusetts policy then seeks to encourage continued farming activity in an effort to reduce this dependence on imports and in turn reduce food prices.

One final objective is that it will help maintain an important source of employment in Massachusetts. Agriculture now accounts for about 21 percent of the businesses in the state and employs 11 percent of the work force.

D. Implementation

Having reviewed the origin and purpose behind use-value assessment, the question that arises is how is this tax format implemented? Since 1957, about 42 states have enacted legislation which authorizes the differential assessment of farmland. Generally speaking there have been three approaches to implementing differential assessment. One is called preferential assessment which authorizes local assessors to simply assess eligible farmland on the basis of its current use value. Deferred taxation law adds an additional feature by requiring owners of eligible lands who later convert land to non-eligible uses to pay some or all of the taxes they were excused from paying during their participation in the program. Finally, there are restrictive agreement laws which in addition to the above two features require a landowner to sign a contract spelling out his rights and duties. Nationwide, state differential assessment laws vary greatly both in terms of eligibility criteria and attractiveness to landowners. Eligibility based on minimum farm incomes, acreage, and duration in farming determines the class of owners who may enroll. The attractiveness factor is determined largely by the restrictive clauses such as roll back taxes or commitments farmland owners must fulfill in return for tax benefits. These laws also detail the demonstrative procedures needed to implement the act such as application requirements and assessment methods.

E. Differential Assessment in Massachusetts

The Massachusetts law, better known as the Farmland Assessment Act (Chapter 61A), can be categorized as a deferred taxation law. Prior to legislative consideration, the state constitution had to be amended in order to give the legislature the legal authority to enact such legislation. In November of 1972, the voters of Massachusetts approved in a referendum the 99th amendment to the state constitution which gave "full power and authority... to the general court to prescribe for the purpose of developing and conserving agricultural or horticultural lands, that such lands shall

be valued, for the purpose of taxation, according to their agricultural or horticultural uses..."

In December of the following year, the Farmland Assessment Act was enacted culminating a seventeen year effort on the part of various conservation and agricultural interest groups to have such an assessment procedure authorized in this state.

1. Eligibility Criteria

The eligibility criteria of the Act indicate that the law is designed to benefit commercial farm operations by restricting participation to those lands that are in active agricultural and horticultural use. It defines agricultural land as land used primarily for the raising and selling of animals and the products derived from them. Horticultural land is land used for the raising of food for human or animal consumption. The following are some of the key eligibility clauses:

- 1) The farm must be at least five acres.
- 2) Gross sales must be at least \$500 for the first five acres plus \$5.00 per acre for each additional acre of land.
- 3) Eligible lands must be actively farmed for two years prior to participation in the assessment program.
- 4) Wetlands and forest lands owned by the farm operator and contiguous to the land farmed actively are eligible for farmland assessment providing these lands do not exceed 100 percent of the portion of land that is actively farmed.
- 5) All buildings used for farm and commercial purposes shall be taxed in the same manner as other properties.
- 6) Leased land that is actively farmed according to the terms of the act is eligible for farmland assessment.

2. Administrative Procedures

Participation in the program is voluntary requiring that the landowner take the initiative in seeking the benefits provided by the Act. The landowner must annually apply to the local board of assessors who then make a determination as to whether the land is eligible according to the terms of the Act. In terms of setting farm use land values, an advisory commission was created by the Act to prepare guidelines on land values for different categories of agricultural and horticultural uses. These guidelines are sent annually to local assessors. However, the assessors in the 351 municipalities of Massachusetts are authorized by state law to make local land valuations independent of any central body. Therefore, they are free to set farmland values at any level they feel is appropriate within the context of the local land market values.

3. Conversion of Use

Several clauses in the Act are concerned with the situation of participating farm lands being converted to non-eligible uses. Two of these clauses involve harsh penalties in the event that a conversion in use does take place. These penalty taxes were included primarily to prevent abuses of the Act from land speculation. One is a conveyance tax which applies to cases where participating lands are sold to be used for ineligible purposes. The amount of the tax is based on a sliding scale over a ten-year period in which the seller pays 10 percent of the selling price if

the sale occurs in the first year dropping down to one percent if the sale occurs in the tenth year. The timing of this ten-year period is important as it commences with either the date of acquisition by the current eligible owner or the date of interrupted eligible use. Therefore, a current owner whose land has been farmed for over ten years can sell his land at any time. However, a relatively new owner must fulfill the ten-year schedule or be subject to this tax. The other tax is based on the deferred taxation concept discussed previously. This rollback tax applies when the land no longer qualifies as being actively devoted to agricultural or horticultural uses. The land will be subject to the rollback tax for the year in which it is disqualified and the four preceding years and the amount paid will be the difference between what would have been taxed if not taxed under this law and the amount that was paid while being assessed and taxed as farmland under the Act.

4. Other Provisions

Finally, the Act provides for purchase options for a city or town in the event of sale for a conversion to residential, industrial, or commercial use. No sale or conversion may take place unless the current owner notifies the city or town of his intention. From the date of the notice, the municipality has 60 days to exercise its option to make a bonafide offer to purchase in the case of a proposed sale or to purchase the land in full for cash value in the case of conversion without sale. In addition, the Act also calls for a new lien to be drawn up for those lands that enroll for farmland assessment. This is basically a legal formality, for the town otherwise has no recourse in the event of non-payment of taxes under this new taxing structure.

F. How is the Law Working?

1. Introduction

Despite the detailed administrative procedures, the eligibility requirements and the well-intentioned social objectives and benefits of 61A, the actual workings and the fiscal, economic, and land use effects of differential assessment laws are determined by local administrative practices and the economic judgements of farmers, developers, and other owners of potentially eligible land as they decide whether or not to enroll and later whether or not to develop. This section, then, will examine the many issues and factors that have influenced the landowners' decisions to participate in the farmland assessment program in the OCPC region as expressed by those farmers responding to the questionnaire or in individual responses. In addition, there will be a brief review of the issues that have arisen amongst those people that are responsible for administering the Act as well as those comments made in the available literature. Some conclusions will then be drawn as to the probable affects of the Farmland Assessment Act on land use in this region.

2. Participation Rates

Prior to delving into the many issues surrounding the Farmland Assessment Act, the following is an overview of current participation in the assessment program within the communities of the OCPC region. According to land use data developed as part of the OCPC publication Land Use/Water Quality Issues in the Old Colony 208 Area, the bulk of the agricultural-land resource base in this region is in the Bridgewater and Hanson. The agricultural

TABLE 8

PARTICIPATION IN CHAPTER 61A IN THE OCPC 208 AREA

	Amount of Acres in 61A		TOTAL AGRICULTURAL LAND (acres)	% TOTAL LAND IN AGRICULTURE	% AGRICULTURAL LAND IN 61A	
	FARM	BOG				
ABINGTON	121.67	0	121.67	157	2.5	78
AVON	4	0	4	16	.6	25
BRIDGEWATER	0	0	0	2312	13.2	0
BROCKTON	136.28	0	136.28	136	1.0	n.a.
EAST BRIDGEWATER	474.68	56.25	530.93	1579	14.2	33
EASTON	512.68	0	512.68	512	2.7	n.a.
HANSON	0	1733.3	1733.3	1733	17.4	n.a.
PEMBROKE	12.61	255.91	255.91	483	3.2	56
WEST BRIDGEWATER	903.41	0	903.41	2047	20.4	44
WHITMAN	18.22	0	18.22	293	6.6	6

*Figure is an underestimate as it represents only those lands assessed under the Farmland Assessment Act

Source: Assessor's office in each community
Land Use/Water Quality Issues in the Old Colony 208 Area

land use figures for Hanson are underestimated and therefore participation rates are difficult to evaluate. However, Hanson does have the most acreage being assessed as farmland. Of the remaining communities with large agricultural land bases, West Bridgewater has the greatest participation. In addition, West Bridgewater was the only community in the region to have an increased enrollment during the Act's second year of existence. Meanwhile, Bridgewater has no lands being assessed under this Act. A summary of this information is presented in Table 8.

3. Factors and Issues Affecting Participation

In evaluating the various factors and issues that have affected participation in the Farmland Assessment Act, one very significant influence has been the farmland owner's perception of government and governmental programs. In general, governmental programs have a less than favorable image among a number of farm operators. This image is largely the product of agriculture being affected by government regulations and programs longer than most other sectors of our economy. Believing that government actions have proven to be contrary to their interests in the past, farmers have many reservations about taking part in any legislative program. Many farmers have doubts that a governmental program can work to their advantage.

In addition, farmers are especially cautious and skeptical about any program that involves their land. To farmers, land represents a substantial investment both in terms of time and money and is frequently their only security as they approach retirement. Therefore, farmers are very protective of their rights to use and/or sell their land without outside interference.

These concerns, reservations, and doubts are frequently reflected in the reasoning of those who choose not to participate in the assessment program. The most common objection is over the penalty clauses and notice of intent to sell requirement which they regard as hindering their freedom to sell their land. Some feel that the tax benefits should be provided with no strings attached while others feel that they are overtaxed for the services they receive in return and are entitled to a tax cut anyway. Apparently, from their point of view, the commitments that have to be made and the requirements that have to be abided by under the terms of the Act are not worth the tax savings. In addition, they are often quite skeptical of the public option-to-buy clause and the lien clause, both of which have negative connotations from their perspective. They feel that these clauses imply that the local government will be given further powers to control their land. For instance, some link the option-to-buy clause to the taking powers given municipalities in eminent domain proceedings.

In some respects, the procedural details of some provisions in the Act are often misunderstood or misinterpreted accounting for some of the objections and reservations discussed above. Misinterpretation might be attributable in part to the unfavorable perception or the doubts that farmers have for such programs.

In other cases, misinterpretation and/or misunderstanding may also be attributed to the lack of information or the misinformation that has been circulated regarding some of the procedural details in the Act. As is often the case, some farmland owners declined to participate because of the penalty, option-to-buy, or lien provisions. However, they were under the impression that the ten-year schedule of conveyance tax began when they just enrolled, that the option-to-buy clause could be exercised at any time or they would have to accept whatever price was offered, and that the

lien clause would be a deed restriction of some kind. Information has been provided through the media, by farm agencies and interest groups but it appears that some farmers have as yet not been properly informed of some details in the Act.

Whatever the reasons or the causes for some of the prevailing objections or reservations, it is clear that some of the provisions of the Act have deterred widespread participation in the program.

Another factor affecting participation is that in some instances the property tax is not regarded as a problem. This situation is best exemplified in Bridgewater where there is currently no participation. In this community, farmland is still being assessed according to its income potential in agricultural production. Therefore, there would be no advantage to participating in the farmland assessment program. This situation is also exemplified statewide where in the 100 communities reporting some enrollment, 80 of those are east of Worcester. Certainly, it is in the eastern part of the state where urban expansion is more prevalent and the impact on property taxes that much greater. On the other hand, in rural areas there is little need to expand services and less pressure to develop land so that taxes have remained stable. As for Bridgewater, the town expects to have property revaluation in the near future. Once the tax situation does change, some farmers have indicated that they will apply for farmland assessment.

Finally, as alluded to earlier, some farmers do not desire such assistance. They feel that changes in marketing and pricing of their products would be more beneficial. If this were the case, "then we could pay our taxes like everyone else".

4. Administrative Issues

From the perspective of those responsible for administering the Act, several important issues have arisen. Certainly the most crucial issue is the loss in tax revenue that results when the Act is implemented at the local level. There are two possible responses to a decrease in revenue: either the town cuts back services or the tax burden is shifted to other property owners in the community.

Local officials often argue that if the state adopts such policies it should be responsible at least in part for making up the tax revenue losses now being absorbed by local property tax payers. In some states that have enacted similar legislation, municipalities have been provided with some form of compensation to lessen the burden of the revenue losses. Although it has not occurred in this region, there has been some resistance on the part of local officials to implement the Act due to this revenue issue.

Another issue concerns the contiguous land provision. Many feel there is an equity problem in assessing contiguous wetlands at a lower rate under the Act while adjacent non-eligible owners who own lands of similar quality are assessed at a different rate. There is also a revaluation problem in that various state agencies are offering to purchase wetlands at sums higher than the assessment values recommended by the advisory commission.

Finally, farmers take issue with eligibility criteria allowing for leased land actually used as farmland to be assessed as farmland. It is their contention that this provision is advantageous to those who have land speculation interests and in fact has encouraged such activity. By

keeping the land in farming for a long enough duration, the landowner is able to avoid the more severe of the two penalties -- that being the conveyance tax. Meanwhile, the owner is paying a limited holding cost due to the decreased taxation and at the same time, the land is increasing in value. Year after year, the landowner can then wait until the time is right for development and the market value has peaked. There is some indication that the Act is being used in this manner within the OCPC region. Certainly, it is an attractive investment venture to buy large land holdings in advance of development while the market value on land is low, keep the land in farming in order to benefit from the Act, and sell the land at a later time for development with a sizeable return on the initial investment.

5. Additional Issues

An additional issue raised is the ineligibility of buildings or other structures on farms. The problem in this instance is that a number of Massachusetts farms are building-intensive, such as dairies and greenhouses, and therefore do not benefit a great deal from the Act.

One final issue raised by some is that the Act is still working within the framework of market forces since it does not restrict development and is not a part of an overall land use plan. Therefore, it may contribute to further leapfrogging development patterns, as have already occurred during processes of urban expansion. In other words, land that would have otherwise been converted under normal market conditions might now be left open and contribute to scattered development.

G. Conclusions and Recommendations

Despite the drawbacks and objections to the Farmland Assessment Act, as it is currently written, the general conclusion is that even if the law was working precisely as it was intended, this type of approach is limited in its potential results. Most authorities agree that a use value assessment program can only operate as a temporary holding device, primarily because tax pressure is only one of the many negative incentives influencing a farmer's decision to discontinue a farm operation. Inability to operate profitably, estate taxes, nuisance actions, and offers made for his land because of its location near a growing city are more significant factors affecting a farmer's decision to disband his operation and sell his land. This viewpoint was reinforced by responses on the questionnaire which indicated that a number of farmers do not feel that tax programs deal significantly with the economic problems they face in their farm operation. Therefore, the Assessment Act alone cannot induce farmers to continue their operation and preserve farmland. Most feel that Massachusetts agriculture has reached such a state that a more comprehensive approach is necessary. This fact has been recognized by state officials and several alternatives are now being considered and will be discussed in the next section.

Some of the shortcomings of Chapter 61A are that it does not address the issue of the farmer's expectations of selling his land at a substantive profit when the price is right even if it means enduring higher taxes, nor does it deal with the view that farmers are entitled to such sale to support their retirement. In addition, it does not restrict development to ensure that farmland would be permanently set aside. Finally, it has allegedly encouraged land speculators and developers to make acquisitions of farmland and keep the land in farms until development would be most appropriate and profitable.

In spite of these shortcomings, some procedural and structural changes could be made in the present law so as to overcome some of the objections of the farmland owners and those who administer the law and improve the current application of the law.

1) One suggestion that has been made is to eliminate the option-to-buy clause from the law so that its taking implications would no longer hinder participation by farmers. Though the provision has good intentions in preventing further conversion of open lands, it is questionable whether its objectives can be fulfilled in the majority of cases. Farming communities rarely have the financial resources to meet the substantial offers made to farmers for their land or meet the current market values. Therefore, since the cost of acquisition is prohibitive in many instances, farmers feel the provision serves little purpose as it is presently written.

2) As was noted previously, the omission of buildings from the eligibility criteria has limited the benefits of the Act among building-intensive farm operations. In one instance, a farmer stated that since his buildings would not be assessed differently under the Act, he felt that it was not worth applying for farmland assessment. Therefore, some provision might be made for buildings and structures that are part of a farm operation such as barns, storage facilities, or greenhouses.

3) In order to make the act politically more attractive to local officials, some form of compensation could be made available to local governments to cover the tax revenue losses that result. The justification for providing this compensation is that the benefits from preserving farmland and open space are enjoyed beyond the boundaries of the local taxing jurisdiction in which the differentially assessed land is located. Therefore, the costs should be shared equally, not borne solely by the non-eligible taxpayers of the local jurisdiction.

4) It is apparent that the penalty clauses have not prevented abuses of the law. With various concerns making acquisitions of land and using the Assessment Act to reduce their holding costs, there are indications that the Act may be encouraging such acquisitions. With the likelihood that these lands will eventually be converted to another use, the law may actually be working against its objectives of preserving farmlands. In order to discourage similar land acquisitions and abuses of the Act, some special provisions should be made for these lands. Some possibilities might include lengthening the period of time that the conveyance tax would be applied to leased lands and/or increasing the percentage of the tax on the selling price of such lands.

5) Finally, two further actions might be taken that do not specifically involve the Act itself. One recommendation that has been made concerns the lien issue. Recordation of the lien is made through the filing of a state tax form entitled "Office of the Board of Assessors Agricultural or Horticultural Land Tax Lien." This is where the farmers see the word lien and, as a result, are influenced negatively.

In order to overcome this problem, it is suggested that another word might be substituted for the word lien in the title of the form that would not have such bad connotations. Some possibilities include security or collateral.

Finally, there is a need for more detailed information about the Act

to be distributed to the potential beneficiaries. Through personal correspondence with some farmers, it was clear that they were misinformed about some aspects of the Act. In other instances, some admitted to lacking sufficient information about the Act, and requested that some be sent them. If an information effort were undertaken, contacts on an individual basis would be most appropriate.

III. ALTERNATIVE APPROACHES TO PRESERVING FARMLAND

A. Introduction

There are several other approaches to preserving farmland with some having certain advantages over others. In Massachusetts, several of these methods are being or have been used while others are under consideration. The following sections will briefly review some of the characteristics of these approaches pointing out both the positive and negative aspects of each.

B. Zoning

Zoning has been one of the more traditional and effective means of controlling land use. Through zoning by-laws, local officials can designate the types of land uses that will be allowed within various segments of the community. Therefore, municipalities may designate certain lands for agricultural use. Though zoning can be the most effective approach to controlling land use, it is one of the most unpopular among farmers.

By restricting land to agricultural use, farmers argue, zoning diminishes the market value of land without compensating farmers for their loss. In other words if the land was zoned for more intensive use (i.e., residential), its market value would be greater than it is as farmland. Clearly zoning can be an effective means of preserving farmland. However, it is doubtful that the failing Massachusetts farm industry can be helped by "zoning away" a substantial amount of equity upon which the farmer may obtain a bank loan.

C. Acquisition and Leaseback

Through the authority granted by several state laws and legal opinions, various state agencies and local governmental units are able to lease out conservation lands for commercial farm use. Under the 97th amendment to the state's constitution known as the Environmental Bill of Rights which establishes the right to a clean and protected environment for the citizens of this state, the people's right to the conservation, development, and utilization of our agricultural resources has been declared a public purpose.

Further, the amendment authorizes the acquisition of land to fulfill the purpose of the act. Therefore, agricultural lands may be purchased for conservation purposes. In addition, a law entitled "Agricultural Land Use" under Chapter 654, Section 2 allows the state to make its lands available to the public for agricultural use. Also under this law, municipalities are authorized to lease conservation lands to farmers. By purchasing land for conservation purposes and leasing it to farmers, towns may preserve a measure of agricultural activity while helping farmers reduce their costs through low-cost leases.

One of the problems with an acquisition leaseback program is that it is quite costly. Local units of government have received some assistance acquiring conservation land through the state "Self Help" program and the U.S. Land and Water Conservation Program. Another issue is the removal of lands from the tax base, thus decreasing local tax revenues. In addition, if the state acquires land as part of this program, there may be further costs in reimbursing municipalities for the tax losses.

Current estimates are that of the 22,000 acres of conservation land in the state only about 500 to 1,000 acres are in farmland. One final note is that in some instances in this area, the state has acquired farmland for conservation purposes and has allowed the former owner to use the land at no cost.

D. Conservation Restrictions

A conservation restriction (CR) is a governmentally approved agreement between an owner of real property and a governmental agency or private charity, by which an owner agrees to keep his land essentially the same as it was at the time of the agreement. The details of the formation, administration, and approval of CR's are spelled out in the Conservation Restrictions Act of 1969. According to the Act, any covenant that is satisfactory to all parties involved will qualify as a CR providing it ensures that the land areas involved will be kept predominantly in their open, natural or scenic condition or in agriculture, farming or forest use. Other provisions include:

- 1) The land shall continue to be preserved despite changes in ownership;
- 2) Government bodies may acquire a CR;
- 3) Enforcement is provided via injunction;
- 4) Release from a CR is possible after a public hearing and approval by the local governing bodies;
- 5) The length of time the CR is in effect is optional.

Therefore, under this program a farmer can transfer or sell his rights to develop land to a government body or charitable organization. Therefore, it provides a means to relieve development pressures and reduce tax costs for the farmer. At the same time, the CR can be for a limited period of time and the farmer still retains his equity for retirement or borrowing purposes.

A study done in 1975 by the Conservation Law Foundation revealed that 5,422 acres in Massachusetts are covered by existing or pending CRs. Forest land comprises 3,457 acres of this total with 814 acres of wetlands and 721 clear acres, meaning that only 13 percent of CR land may be in farm use. This report suggests that the low participation by farmers may be due to the administrative problems with the law, the lack of funding provided to compensate the owner who gives up a development right, and the lack of policy for valuing land for tax purposes under a CR. Therefore, as it is presently written, only those who are in a position to part with development rights as a gift or for partial payment might be apt to participate.

Generally farmers are usually not in such a financial position to part with development rights in such a manner since the only real benefit is tax relief, which in itself has been a problem due to the lack of valuation guidelines made available to assessors to assess CR lands. The farmer might be more inclined to seek similar benefits already available under the Farmland Assessment Act.

E. Purchase of Development Rights

Building upon the concept of CRs, legislation is now being drafted that will amend the 1969 act and provide compensation for the CRs. This program has come to be known as the Purchase of Development Rights and it represents

one of the most comprehensive legislative methods of preserving agricultural lands that has been developed thus far.

The PDR program would provide farmland owners with the opportunity to sell the development rights on their land to the State. Meanwhile, the farmer would retain ownership of the land and could continue to use it for agricultural purposes. In addition to the restriction that the land must remain open or be used for farming, it further could only be assessed for taxes and sold based on its value as farmland. The state could at no time enter the land or in any way interfere with the owner.

If approved, the PDR program would be implemented in two phases. The objectives of Phase I would be to work out any of the problems in administering or financing the program. Therefore, eligible lands would be limited only to those which qualify under the terms of 61A. Phase II would be a more comprehensive approach seeking to identify and preserve all prime agricultural lands some of which may not be in active agricultural use. Criteria would be developed to designate three classes of agricultural lands: 1) prime agriculture lands; 2) agricultural land of statewide importance; 3) and unique lands. All designated lands would then be eligible for PDR.

Funds for the program are planned to come from a real estate transfer tax (\$5-\$7 per \$1,000) with which a bonding issue would be funded. As is currently suggested, the Development Rights would be valued on the basis of the difference between the market value for the land for development and its value as farmland. In summary, the primary advantages of PDR are as follows:

- 1) It primarily restricts the use of the land to agriculture and related open space uses.
- 2) It provides for just compensation for the restrictions placed on the land.
- 3) It distributes the cost of the program.
- 4) It retains privately owned and operated farms.
- 5) It addresses the problem of tying the acquisition prices of farms to their value as farms, thus enabling farmers to buy land at prices which can be paid out of farm incomes. It also allows farmers to make a profit by selling the development rights.

As for the farmers' impression of this program, most responses on the questionnaire were in favor of this approach and felt that it could be beneficial for agriculture. Primarily, they felt it would provide access to farmland at a reasonable price and money to pay off debts or invest in machinery or other improvements. These responses were similar to those in another study which examined PDR's potential for successful implementation in Westfield, Massachusetts. However, some doubts still arise. Some were concerned with the implications of the state buying up development rights in that it might exercise these rights in the future. Others expressed skepticism of government solutions for the agriculture problem or stated that it is too late to halt the current trends.

There are several administrative issues raised as well. For instance, there is some question how the sale of development rights would be treated in light of capital land tax, inheritance taxes, and personal income taxes. In addition, there are other problems concerning how the development rights would be equitably valued and how the very substantial costs of such a

program would be met. Considering that the value of development rights would be quite high, the cost may inhibit successful implementation of this program.

One final issue is that once the rights are all purchased, there is no guarantee made that the land will be farmed. Landowners could let the land revert to scrub and the state would have no recourse for all the money spent. One provision that might be appropriate would be to allow the state to purchase the owners' remaining interest and lease or sell the agricultural rights so that the land would be farmed.

F. Transfer of Development Rights

One final largely untried approach is the transfer of development rights (TDR). Under this approach a community would be divided up into development zones and preservation zones. Some mechanism would be set up whereby the developers would buy development rights from landowners in the preservation zone that would allow them to build more intensely than would normally be allowed by the zoning restrictions on their land. One suggestion is that the development rights be sold in the form of coupons.

Several advantages are attributed to this approach. One is that it would be a good land use planning tool for it would cluster development and open spaces in designated areas. Also, the developer would bear the cost of purchasing the development rights rather than the taxpayer. Finally, there would be no problems establishing the market values of development rights for they would be negotiable and the values would be set by the market itself.

The problems with a TDR method are largely administrative. Some problems include: how many development rights or coupons are landowners allowed?, how many can be bought for a particular type of development?, what will be the impact on the conformity of development and at what scale should it be implemented, i.e., local or statewide?

It is possible to adopt such a program under current enabling legislation. However, the conclusions as to its possible impact have not been reached. One State agricultural official interviewed felt that the TDR approach is too complicated; the State opted for the PDR approach, he believed, because it would be easier to implement.

IV. CONCLUSIONS

It appears then that for the Old Colony 208 area, because of its close proximity to Boston via Routes 24 and 3, the preservation of agricultural land will be an uphill battle. For the most northerly communities and for those closest to Routes 24 and 3, namely Avon, Abington, Brockton, Easton, Pembroke, and Whitman, it appears that most agricultural activity will decline and agricultural (except cranberry) land will be converted to suburban residences. For the communities of Bridgewater, East Bridgewater, Hanson and West Bridgewater it appears that the decline in agricultural land use could be stemmed by these communities but it will take concerted local effort. The efforts of the Commonwealth of Massachusetts to help area farmers may come in time to be of benefit, but to many of the farmers in this area, it is with pessimism rather than optimism that these efforts are viewed.

APPENDIX

Sample Questionnaire and Selected Responses



Old Colony Planning Council

232 MAIN STREET
BROCKTON MASS 02401
617-583-1833

ANIEL M. CRANE
EXECUTIVE DIRECTOR

August 3, 1976

Dear Farmland Owner:

The staff of the Old Colony Planning Council has become increasingly concerned over the continued depletion of agricultural land resources in this area. We feel that agriculture contributes both to the economy of the area, in terms of jobs and food production, as well as aesthetically in terms of open space. As present trends indicate, prime farmland continues to disappear from the Old Colony area landscape with large-scale residential development frequently appearing in its place. Considering the many negative impacts associated with large-scale development along with the loss of the valuable contributions made by agriculture, we have decided to make a concerted effort to use our resources to support agricultural activity in this area.

In order for us to embark on such an effort, we must have a clear understanding of the problems and other factors that have contributed to the decline in the number of farm operations in this area. As a means of becoming better informed, we are now conducting a study on the Farmland Assessment Act to evaluate to what extent the tax relief program is helping farmowners remain in operation. In addition, we hope to learn more about the specific problems facing agriculture in this area and what needs to be done to alleviate them. The enclosed questionnaire is designed only to provide us with just such information, namely, how is the assessment act working, what are the problems and what else should be done.

In seeking answers to our questions, we have already spoken with people affiliated with the Massachusetts Department of Agriculture, ASCS, the Mass. Farm Bureau, the Cooperative Extension Service, and the Cranberry Experiment Station. However, we feel the best answers and information can come only from those who experience these problems day in and day out. That is why we are appealing to you, the farmowner, to assist us in this effort.

Please read through the questionnaire, and if you have any questions or you would like assistance in filling it out, contact Larry Coleman at 583-1833 or fill out and return the enclosed postcard.

If the questionnaire presents no particular problems to you, please fill it out and return it in the enclosed envelope at your earliest convenience. A response within two weeks would be greatly appreciated. We assure you that all responses will be confidential and will be used for our information only.

Thank you for your time and assistance.

Sincerely,

Larry Coleman
Regional Planner

Abington, Avon, Bridgewater, Brockton, East Bridgewater, Easton, Hanson, Kingston, Pembroke, Plymouth, West Bridgewater, Whitman

OLD COLONY PLANNING COUNCIL
FARMLAND QUESTIONNAIRE

TOWN _____

FARM SIZE (acres) _____

NO. OF YRS. IN OPERATION _____

TYPE OF FARM FRUIT/VEG _____
(check one) DAIRY _____
CRANBERRY _____
OTHER _____

PLEASE CHECK YOUR ANSWERS FOR THE FOLLOWING AND ADD COMMENTS WHERE YOU WISH.

1) Are you familiar with the Farmland Assessment Act (chapter 61a). yes _____ no _____

If yes, how did you hear about the program? _____

2) Do you participate in the farmland assessment program? yes _____ no _____

3) If you do NOT participate, what do you consider to be the major reason(s) why you choose not to participate. (Please check any of the following and add other comments you may have.)

- _____ Penalties and/or rollback taxes
_____ Tax assessment not a problem
_____ Hinders freedom to sell land
_____ Difficulty working with local assessors
_____ Do not have enough information about the program
_____ Others _____

If you do NOT participate, do you expect to apply for farmland assessment on your land if revaluation of property taxes occurs in your town? yes _____ no _____

4) To what extent does the farmland assessment program deal with economic problems you face in your farm operation? (check one)
_____ not at all _____ slightly _____ moderately _____ significantly

5) What problems do you see, if any, with the Farmland Assessment Act and how do you feel it could be improved?

6) When do you feel that residential development will occur within a 1/2 mile of your farm?
_____ already has begun _____ 5 yrs. _____ 10 yrs. _____ 20 yrs. _____ not at all

7) Select what you consider to be the 3 major problems facing agricultural producers in this area (Rank them 1, 2, 3, with 1 being the greatest problem and 2 & 3 being less severe)

- _____ Increased input costs (ie. fertilizer, labor, machinery, fuel)
_____ Lack of adequate food and grain storage facilities
_____ High shipping costs
_____ Lack of adequate rail service
_____ Lack of food and grain processing facilities
_____ Loss of local retail market
_____ Competition from other states
_____ Pressure to develop land
_____ Others _____

Dear Mr. Coleman

Your planning council seems like a good idea. Unfortunately, it is about twenty years too late.

I'm sure you are familiar with the Producers Dairy situation. We like many many other farms are forced to go out of business due to severe financial problems. Our milking cows will be auctioned off on August 19th. The young stock will follow soon after.

Thank you for your concern, but I'm afraid it is too late for most farmers in this area and in many other areas.

East Bridgewater, MA 02333

OLD COLONY PLANNING COUNCIL
FARMLAND QUESTIONNAIRE

TOWN Any town - what difference does
it make

TYPE OF FARM
(check one)

FRUIT/VEG _____
DAIRY x
CRANBERRY _____
OTHER _____

FARM SIZE (acres) 125

OF YRS. IN OPERATION 50

PLEASE CHECK YOUR ANSWERS FOR THE FOLLOWING AND ADD COMMENTS WHERE YOU WISH.

1) Are you familiar with the Farmland Assessment Act (chapter 61a). yes x no _____

If yes, how did you hear about the program? Farm Bureau -- we were
in on it from its conception

2) Do you participate in the farmland assessment program? yes _____ no x

3) If you do NOT participate, what do you consider to be the major reason(s) why you choose not to participate. (Please check any of the following and add other comments you may have.)

- x Penalties and/or rollback taxes
____ Tax assessment not a problem
x Hinders freedom to sell land
____ Difficulty working with local assessors
____ Do not have enough information about the program
____ Others _____

If you do NOT participate, do you expect to apply for farmland assessment on your land if revaluation of property taxes occurs in your town?
yes x no

4) To what extent does the farmland assessment program deal with economic problems you face in your farm operation? (check one)

x not at all _____ slightly _____ moderately _____ significantly

5) What problems do you see, if any, with the Farmland Assessment Act and how do you feel it could be improved? Eliminate rollbacks; let farmer sell to anyone he wants, anytime he wants; with no first refusal or eminent domain threats

6) When do you feel that residential development will occur within a 1/2 mile of your farm?

x already has begun _____ 5 yrs. _____ 10 yrs. _____ 20 yrs. _____ not at all

7) Select what you consider to be the 3 major problems facing agricultural producers in this area (rank them 1, 2, 3, with 1 being the greatest problem and 2 & 3 being less severe)

- 2 Increased input costs (i.e., fertilizer, labor, machinery, fuel)
____ Lack of adequate food and grain storage facilities
3 High shipping costs
4 Lack of adequate rail service
____ Lack of food and grain processing facilities

Question 7 (cont'd)

Loss of local retail market
5 Competition from other states
Pressure to develop land
1 Others Price we receive for product not increasing
at the same rate as the cost of production

8) How do you think these agricultural problems that you checked in question 7 should be handled and who should do something about them?

"There is one "simple" answer to all of these problems and the land tax problem as well -- give the dairy farmer the price he deserves for his product and his cost demand. Since 1914, the price index for manufactured goods has risen to 614 on the scale, while the price the dairyman receives has risen or should I say crawled to 312 on the scale. (These facts are from USDA annual report on agriculture). Let us not forget that we have had to pay and still do pay the same prices for machinery and essential materials that any other industry has had to pay over the years. In the industrial circles a one or two percent return on investment is unthinkable, however, agriculture seems to be doomed to accept this figure on the average. The biggest blame can be put squarely on the shoulders of the government. It seems that a group of uninformed people have seen fit to make policies that do not help the dairyman's situation. At the first sign of a shortage or drop in supply open goes the door to prices; even at their present low levels. Also, much of this "stuff" is of substandard quality. Of the 15 percent of products that USPHS inspects, 75 percent is condemned as being unfit for human consumption (to be used for animal feed). What about the other 85 percent that's not even inspected and is used for food! Think about it!

My answer to the problem:

1. Establish milk bases like those in the south that will even out production and make it easy to figure on. These will also eliminate fly-by-night producers who jump in and out of the market just to take advantage of high price periods. All associations in this area have not seen fit to do this yet.
2. Have the government lock the door and throw away the key on foreign imports.
3. If the consumer resists paying the prices that are necessary for the dairyman to stay in business, then the government will have to subsidize dairymen to make up the difference and to align our prices with industries prices. It's about time the farmers stopped subsidizing the consumers. If the consumers in this area think they can get along without the local farmers that are left, they are sadly mistaken. They will end up in the same position as they are now in with gasoline and fuel oil.

If the farmer got the price he deserved, he wouldn't need:

1. special farmland acts
2. farm plates with all of their assinine restrictions
3. development rights programs
4. any other welfare type programs that may be thought of to

Question 8 (cont'd)

- appease the farmer rather than really help him.
5. possibly the Old Colony Planning Council and questionnaires like this.

We would be able to pay our way just like any other business and would not need any special treatment from anyone. That's all we ask. The days of cheap food are nearing their end for good. Let's fact it! Now!

- 9) Are you familiar with proposals for a purchase of development rights program to be used to preserve agricultural land in this state?
___yes___no

For those not familiar with this program, the following is a brief explanation:

One method being considered by the state to assist farmers in keeping their land in agricultural production is to provide them with the opportunity to sell the development rights on their land. Development right means the right to develop land for residential, commercial, and industrial purposes within zoning limitations. The development right would be purchased by a public body and the price paid would be the difference between the "market" and "farm use" value for the land. The farmer, then, receives a payment based on the development value of his land while still retaining ownership of the land to be used for agricultural production. Future tax assessments will be based on the farm use value of the land.

Do you feel that this program can be beneficial to agriculture in this area? x yes___no

If the real development value is used, which I doubt it would

If Yes, how do you think it will benefit agriculture?

If No, why do you think it will not be beneficial?

OLD COLONY PLANNING COUNCIL
FARMLAND QUESTIONNAIRE

TOWN West Bridgewater

TYPE OF FARM
(check one)

FRUIT/VEG _____

DAIRY x *

CRANBERRY _____

OTHER _____

FARM SIZE (acres) 37

OF YRS IN OPERATION 85

*No animals now

PLEASE CHECK YOUR ANSWERS FOR THE FOLLOWING AND ADD COMMENTS WHERE YOU WISH.

1) Are you familiar with the Farmland Assessment Act (Chapter 61a). yes x no _____

If yes, how did you hear about the program? Newspaper item

2) Do you participate in the farmland assessment program? yes x no _____

3) If you do NOT participate, what do you consider to be the major reason(s) why you choose not to participate. (Please check any of the following and add other comments you may have.)

_____ Penalties and/or rollback taxes

_____ Tax assessment not a problem

_____ Hinders freedom to sell land

_____ Difficulty working with local assessors

_____ Do not have enough information about the program

_____ Others _____

If you do NOT participate, do you expect to apply for farmland assessment on your land if revaluation of property taxes occurs in your town?
yes _____ no _____

4) To what extent does the farmland assessment program deal with economic problems you face in your farm operation? (check one)

_____ not at all _____ slightly x moderately _____ significantly

5) What problems do you see, if any, with the Farmland Assessment Act and how do you feel it could be improved?

More information on the details of the Act particularly the penalties for non-compliance should be clarified.

6) When do you feel that residential development will occur within a 1/2 mile of your farm?

x already has begun _____ 5 yrs. _____ 10 yrs. _____ 20 yrs. _____ not at all

7) Select what you consider to be the 3 major problems facing agricultural producers in this area (rank them 1, 2, 3, with 1 being the greatest problem and 2 & 3 being less severe)

3 Increased input costs (i.e., fertilizer, labor, machinery, fuel)

_____ Lack of adequate food and grain storage facilities

_____ High shipping costs

_____ Lack of adequate rail service

_____ Lack of food and grain processing facilities

_____ Loss of local retail market

_____ Competition from other states

1 Pressure to develop land

2 Others Poor public relations

- 8) How do you think these agricultural problems that you checked in Question 7 should be handled and who should do something about them?

There are agencies which could improve item (2) already in existence. How to make them function?

- 9) Are you familiar with proposals for a purchase of development rights program to be used to preserve agricultural land in this state.
yes___no x

For those not familiar with this program, the following is a brief explanation:

One method being considered by the state to assist farmers in keeping their land in agricultural production is to provide them with the opportunity to sell the development rights on their land. Development right means the right to develop land for residential, commercial, and industrial purposes within zoning limitations. The development right would be purchased by a public body and the price paid would be the difference between the "market" and "farm use" value for the land. The farmer, then, receives a payment based on the development value of his land while still retaining ownership of the land to be used for agricultural production. Future tax assessments will be based on the land.

Do you feel that this program can be beneficial to agriculture in this area? yes___no x

If YES, how do you think it will benefit agriculture?

If NO, why do you think it will not be beneficial?

The uncertainty of the future demands the farm operator to conduct his business on a year-to-year basis.

OLD COLONY PLANNING COUNCIL
FARMLAND QUESTIONNAIRE

TOWN Hanson

TYPE OF FARM
(check one)

FRUIT/VEG x
DAIRY _____
CRANBERRY _____
OTHER Chicken

FARM SIZE (acres) 18

OF YRS IN OPERATION 36

PLEASE CHECK YOUR ANSWERS FOR THE FOLLOWING AND ADD COMMENTS WHERE YOU WISH.

1) Are you familiar with the Farmland Assessment Act (Chapter 61a). yes ___ no x

If yes, how did you hear about the program? _____

2) Do you participate in the farmland assessment program? yes ___ no x

3) If you do NOT participate, what do you consider to be the major reasons(s) why you choose not to participate. (Please check any of the following and add other comments you may have.)

- ____ Penalties and/or rollback taxes
____ Tax assessment not a problem
____ Hinders freedom to sell land
____ Difficulty working with local assessors
x Do not have enough information about the program
____ Others _____

If you do NOT participate, do you expect to apply for farmland assessment on your land if revaluation of property taxes occurs in your town?
yes x no ___

4) To what extent does the farmland assessment program deal with economic problems you face in your farm operation? (check one)
___ not at all ___ slightly ___ moderately x significantly

5) What problems do you see, if any, with the Farmland Assessment Act and how do you feel it could be improved?

6) When do you feel that residential development will occur within a 1/2 mile of your farm?
x already has begun ___ 5 yrs. ___ 10 yrs. ___ 20 yrs. ___ not at all

7) Select what you consider to be the 3 major problems facing agricultural producers in this area (rank them 1, 2, 3, with 1 being the greatest problem and 2 & 3 being less severe).

- 1 Increased input costs (i.e., fertilizer, labor, machinery, fuel)
3 Lack of adequate food and grain storage facilities
____ High shipping costs
____ Lack of adequate rail service
____ Lack of food and grain processing facilities
2 Loss of local retail market
____ Competition from other states
____ Pressure to develop land
x Others Manpower shortage

8) How do you think these agricultural problems that you checked in Question 7 should be handled and who should do something about them?

9) Are you familiar with proposals for a purchase of development rights program to be used to preserve agricultural land in this state? yes ___ no x

For those not familiar with this program, the following is a brief explanation:

One method being considered by the state to assist farmers in keeping their land in agricultural production is to provide them with the opportunity to sell the development rights on their land. Development right means the right to develop land for residential, commercial, and industrial purposes within zoning limitations. The development right would be purchased by a public body and the price paid would be the difference between the "market" and "farm use" value for the land. The farmer, then, receives a payment based on the development value of his land while still retaining ownership of the land to be used for agricultural production. Future tax assessments will be based on the farm use value of the land.

Do you feel that this program can be beneficial to agriculture in this area? yes x no ___

If YES, how do you think it will benefit agriculture?

When farmers can no longer operate their farm and are forced to sell, they would rather sell the land for farming purposes but are forced to sell for the market price.

If NO, why do you think it will not be beneficial?

OLD COLONY PLANNING COUNCIL
FARMLAND QUESTIONNAIRE

TOWN Whitman & East Bridgewater

TYPE OF FARM	FRUIT/VEG
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
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71	71
72	72
73	73
74	74
75	75
76	76
77	77
78	78
79	79
80	80
81	81
82	82
83	83
84	84
85	85
86	86
87	87
88	88
89	89
90	90
91	91
92	92
93	93
94	94
95	95
96	96
97	97
98	98
99	99
100	100

FARM SIZE (acres) 70 acres

DAIRY	X
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CRANBERRY

OTHER _____

OF YRS. IN OPERATION 46 yrs.

PLEASE CHECK YOUR ANSWERS FOR THE FOLLOWING AND ADD COMMENTS WHERE YOU WISH.

- 1) Are you familiar with the Farmland Assessment Act (chapter 61a). yes no x

If yes, how did you hear about the program?

- 2) Do you participate in the farmland assessment program? yes no ☒ x

- 3) If you do NOT participate, what do you consider to be the major reason(s) why you choose not to participate. (Please check any of the following and add other comments you may have.)

Penalties and/or rollback taxes

____ Tax assessment not a problem

- x Hinders freedom to sell land

Difficulty working with local assessors

Do not have enough information about the program

Others

If you do NOT participate, do you expect to apply for farmland assessment on your land if revaluation of property taxes occurs in your town?

yes no x

- 4) To what extent does the farmland assessment program deal with economic problems you face in your farm operation? (check one)

x not at all slightly moderately significantly

- 5) What problems do you see, if any, with the Farmland Assessment Act and how do you feel it could be improved?

- 6) When do you feel that residential development will occur within a 1/2 mile of your farm?

	5 yrs.	10 yrs.	20 yrs.	not at all
x already has begun				

- 7) Select what you consider to be the 3 major problems facing agricultural producers in this area (rank them 1, 2, 3, with 1 being the greatest problem and 2 & 3 being less severe)

1 Increased input costs (ie., fertilizer, labor, machinery, fuel)

—Lack of adequate food and grain storage facilities

3 High shipping costs

2 Lack of adequate rail service

— Lack of food and grain processing facilities

— Loss of local retail market

Competition from other states

- Pressure to develop land

Others very poor consumer image of farming as a business. They
feel the farmer doesn't need a profit.

- 8) How do you think these agricultural problems that you checked in Question 7 should be handled and who should do something about them?

Number 1 could help if the state could set up areas where farmers, as individuals, could sell their products directly to consumers. As an example, milk more than doubles its farm price before it reaches the consumer. Advertising Massachusetts grown or produced and create a market.

- 9) Are you familiar with proposals for a purchase of development rights program to be used to preserve agricultural land in this state. yes___no x

For those not familiar with this program, the following is a brief explanation:

One method being considered by the state to assist farmers in keeping their land in agricultural production is to provide them with the opportunity to sell the development rights on their land. Development right means the right to develop land for residential, commercial, and industrial purposes within zoning limitations. The development right would be purchased by a public body and the price paid would be the difference between the "market" and "farm use" value for the land. The farmer, then, receives a payment based on the development value of his land while still retaining ownership of the land to be used for agricultural production. Future tax assessments will be based on the farm use value of the land.

Do you feel that this program can be beneficial to agriculture in this area? yes___no x

If Yes, how do you think it will benefit agriculture?

If No, why do you think it will not be beneficial?

Because each particular farm is an individual's parcel and needs a separate handling. Too many loose ends where speculators and complete outsiders will take advantage. Farmers, as a group, are individuals and very independent and tend to be plain bullheaded.

OLD COLONY PLANNING COUNCIL
FARMLAND QUESTIONNAIRE

TOWN Bridgewater

TYPE OF FARM
(check one)

FRUIT?VEG____
DAIRY x
CRANBERRY____
OTHER _____

FARM SIZE (acres) 150

OF YRS. IN OPERATION 55

PLEASE CHECK YOUR ANSWERS FOR THE FOLLOWING AND ADD COMMENTS WHERE YOU WISH.

- 1) Are you familiar with the Farmland Assessment Act (chapter 61a). yes x no _____

If yes, how did you hear about the program? Farm Bureau

- 2) Do you participate in the farmland assessment program? yes _____ no x

- 3) If you do NOT participate, what do you consider to be the major reason(s) why you choose not to participate. (Please check any of the following and add other comments you may have.)

____ Penalties and/or rollback taxes
____ Tax assessment not a problem
____ Hinders freedom to sell land
____ Difficulty working with local assessors
____ Do not have enough information about the program
____ Others You would have to be insane to sign such
_____ a stupid form.

If you do NOT participate, do you expect to apply for farmland assessment on your land if revaluation of property taxes occurs in your town?

yes x no I will sell out first.

- 4) To what extent does the farmland assessment program deal with economic problems you face in your farm operation? (check one)

x not at all _____ slightly _____ moderately _____ significantly

- 5) What problems do you see, if any, with the Farmland Assessment Act and how do you feel it could be improved?

Abolish it and pay the farmers a fair price for their products so they can pay their taxes like every business does.

- 6) When do you feel that residential development will occur within a 1/2 mile of your farm? If the price is right, it will be today.

already has begun _____ 5 yrs. _____ 10 yrs. _____ 20 yrs. _____ not at all

- 7) Select what you consider to be the 3 major problems facing agricultural producers in this area (rank them 1, 2, 3, with 1 being the greatest problem and 2 & 3 being less severe)

____ Increased input costs (ie. fertilizer, labor, machinery, fuel)
____ Lack of adequate food and grain storage facilities
____ High shipping costs
____ Lack of adequate rail service
____ Lack of food and grain processing facilities
____ Loss of local retail market

Competition from other states
Pressure to develop land
Others

The major problems facing agricultural producers in this area are: A controlled price for what a dairyman produces. We produce milk for a price we do not know what we are getting for it. What manufacturing or other business does this ignorant way of doing business we do. We are not looking for handouts, all we want is a fair market price for our product. All the farmers should be reported to labor commission for breaking the law and be put in jail and fined for making their children and wife work for about 35 cents an hour. The minimum wage is I think \$2.35 per hour what about overtime and paid vacation and sick leave. I was sick almost died of the flu last winter. I couldn't get a soul to help do the chores till I got better, but I still went out to the barn to do the heavy chores my wife couldn't do. If we only could get a fair price for our product, we could hire a better grade of help instead of the village idiot, the drunks, and jail birds. But I must be dreaming out loud, because the government and consumers all want us suckers to produce them cheap food at our expenses and health. I believe all are taking advantage of our ignorance, and if all the farmers were to smarten up and tell them all to go to hell.

P.S. If I gave my farm free and clear and told them (who sets the milk price) to work it for one year and make a living from it, they would commit suicide in about one month.

- 8) How do you think these agricultural problems that you checked in Question 7 should be handled and who should do something about them?
I am sending you a page from the Boston Sunday Globe, read it and tell me what you should do about it, and how this situation should be handled.
- 9) Are you familiar with proposals for a purchase of development rights program to be used to preserve agricultural land in this state. yes___no___

For those not familiar with this program, the following is a brief explanation.

One method being considered by the state to assist farmers in keeping their land in agricultural production is to provide them with the opportunity to sell the development rights on their land. Development right means the right to develop land for residential, commercial, and industrial purposes within zoning limitations. The development right would be purchased by a public body and the price paid would be the difference between the "market" and "farm use" value for the land. The farmer, then, receives a payment based on the development value of his land while still retaining ownership of the land to be used for agricultural production. Future tax assessments will be based on the farm use value of the land.

Do you feel that this program can be beneficial to agriculture in this area?
yes___no___

If Yes, how do you think it will benefit agriculture?

If No, why do you think it will not be beneficial?

